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SASKATCHEWAN INSTITUTE OF
APPLIED SCIENCE AND TECHNOLOGY

SIAS Impact on Provincial and Local Economies

Prepared by:

***SIAS Planning, Research and Development Division
Institutional Research Office***

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**Saskatchewan Institute Of Applied
Science and Technology**

***SIAST Impact on Provincial
and Local Economies***

Prepared by:
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Executive Summary

For 1998/99 the economic impact of SIAST on the economies of the province of Saskatchewan and the cities of Regina, Saskatoon, Prince Albert and Moose Jaw are estimated to be (1997/98 figures are in brackets):

- SIAST's economic impact on the Province of Saskatchewan was \$249.8 million (\$248.3 million)
- SIAST's economic impact on the City of Regina was \$50.8 million (\$51.8 million)
- SIAST's economic impact on the City of Saskatoon was \$80.5 million (\$76.0 million)
- SIAST's economic impact on the City of Prince Albert was \$40.3 million (\$41.1 million)
- SIAST's economic impact on the City of Moose Jaw was \$55.5 million (\$52.9 million)

These impacts are based on the estimation that for every dollar SIAST spends operating in Saskatchewan, 65 cents is generated in second-round income (1.65 multiplier). For every dollar SIAST spends in one of the four main cities, 43 cents is generated in second-round income (1.43 multiplier).

The impacts are also based on the average spending of \$250 per week for each full-time student.

Introduction

In January 1999, the SIAST Institutional Research Office explored the economic impact of SIAST on the provincial economy and on the economies of the four main campus cities. This report is an update of the data and provides a comparison to last year.

Data Source

The data for this report comes from three sources. SIAST Finance provided operating expenditure figures. SIAST Registrars provided the student enrollment statistics and a report from the University of Saskatchewan provided multiplier and weekly spending estimates.

Methodology

The methodology utilizes estimates obtained in a study conducted by the University of Saskatchewan. In a report titled the University of Saskatchewan Impact Study 1994/95, a provincial multiplier effect of 1.65 and a regional multiplier effect of 1.43 was calculated. This multiplier is defined as an estimate of how every dollar of expenditure generates second round income. The university study also estimated a weekly expenditure amount by students of \$250 per week.

The economic impact is calculated as the sum of the institute's operations and of the student's expenditures. These impacts would include SIAST salaries and purchases as well as spending by students at SIAST. Indirect expenditures stimulated by these direct purchases would also be taken into account.

The operating impact also considers non-impacting operations and estimates it to be 4% of the operating expenditures. Non-impacting operations would be things like amortization or international activities. The annual operating expenditures for SIAST include amounts paid to SPMC for rental of their facilities. This is essentially a repayment of grants received, and therefore, has no economic impact. These amounts are excluded from the SIAST and individual campus expenditure totals.

The student impact addresses only full-time students and uses an estimate of \$250 per week spending for 30 weeks of study per year. Part-time students and Extension registrants are not included.

Additional Graduate Student Consideration

The impact of graduates entering the workforce is not directly related to the economic impact of the operation of SIAST, but their contribution to economic growth should be recognized as an indirect contributor.

According to the 1998 SIAST Graduate Employment Statistics Report, 2339 graduates responded to the survey representing 61% of the graduating class. Of these responding graduates, 1941 were employed thereby paying provincial income tax. With the average salary of SIAST's graduates at \$1920, the total SIAST graduate payroll could be estimated at \$3.7 million. Considering an average 12% provincial income tax rate, the total revenue collected by the province from income earned by SIAST graduates would be approximately \$450,000.

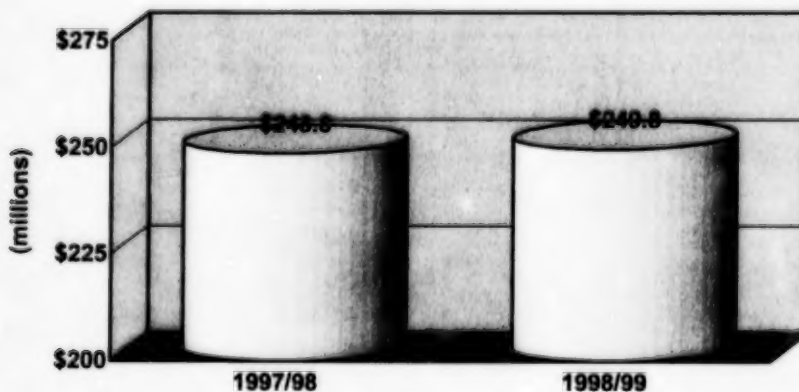
This additional positive impact is not taken into account with this report.

SIAST Impact on Saskatchewan Economy

The impact of SIAST on the Saskatchewan economy increased from just under \$249 million in 1997/98 to almost \$250 million in 1998/99.

	1997/98	1998/99	
Operating Impact			
SIAST Annual Operating Expenditures	\$114.0 million	\$118.6 million	source: SIAST Finance
less SPMC Facilities	- \$13.3 million	- \$13.8 million	
	<u>\$100.7 million</u>	<u>\$104.8 million</u>	
less non-impacting operations	- 4%	- 4%	
Adjusted Operating Impact	<u>\$96.7 million</u>	<u>\$100.6 million</u>	
multiplier effect on provincial economy	x 1.65	x 1.65	estimate based on UofS study
Operating Impact	<u>\$159.6 million</u>	<u>\$166.0 million</u>	
Student Impact			
Total SIAST Students Enrolled	46145	43139	source: SIAST Registrars
less part-time students	- 34255	- 31969	source: SIAST Registrars
Total SIAST Full-time Students Enrolled	<u>11890</u>	<u>11170</u>	
amount student spend per week	x \$250/wk	x \$250/wk	estimate based on UofS study
weeks per year student at SIAST	x 30wks	x 30wks	
Student Impact	<u>\$89.2 million</u>	<u>\$83.8 million</u>	
SIAST IMPACT ON SASKATCHEWAN ECONOMY	<u>\$248.8 million</u>	<u>\$249.8 million</u>	

SIAST Impact on Saskatchewan Economy

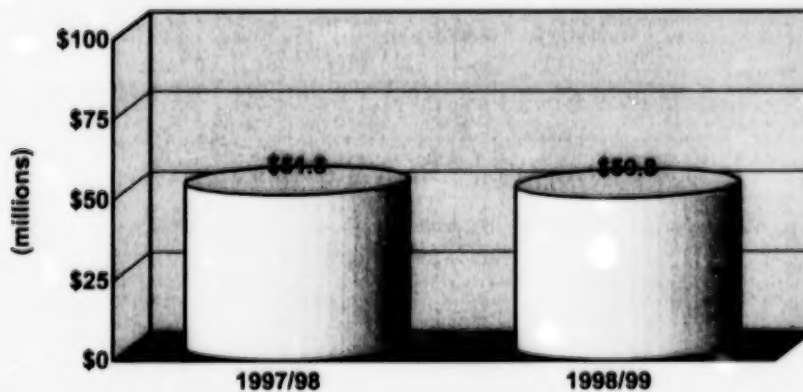


SIAST Impact on Regina Economy

The impact of SIAST on the City of Regina's economy can be attributed to SIAST Wascana Campus. The impact decreased \$1 million from \$52 million in 1997/98 to \$51 million in 1998/99.

	1997/98	1998/99	
Operating Impact			
SIAST Wascana Operating Expenditures	\$24.2 million	\$24.9 million	source: SIAST Finance
less non-impacting operations	- 4%	- 4%	
Adjusted Operating Impact	\$23.2 million	\$23.9 million	
multiplier effect on Regina's economy	x 1.43	x 1.43	estimate based on UofS study
Operating Impact	\$33.2 million	\$34.2 million	
Student Impact			
Total SIAST Wascana Students Enrolled	11183	10489	source: SIAST Registrars
less part-time students	- 8703	- 8273	source: SIAST Registrars
Total SIAST Wascana Full-time Students Enrolled	2480	2216	
amount student spend per week	x \$250/wk	x \$250/wk	estimate based on UofS study
weeks per year student at SIAST Wascana	x 30wks	x 30wks	
Student Impact	\$18.6 million	\$16.6 million	
SIAST IMPACT ON REGINA ECONOMY	\$51.8 million	\$50.8 million	

SIAST Impact on Regina Economy

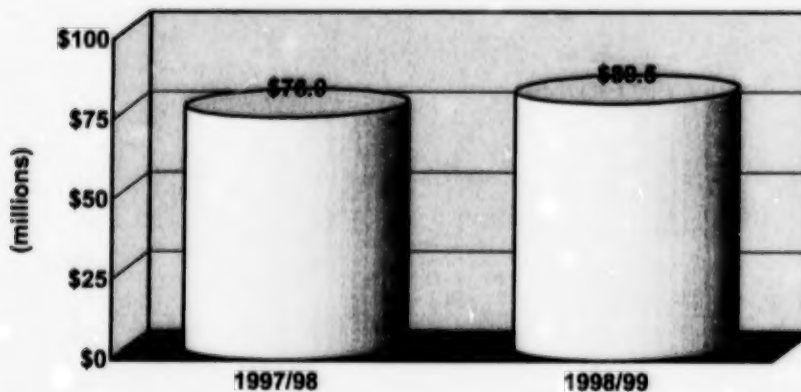


SIAST Impact on Saskatoon Economy

The impact of SIAST on the City of Saskatoon's economy is due not only to SIAST Kelsey Campus but also to the SIAST Administrative Offices. The impact increased from \$76 million in 1997/98 to just over \$80 million in 1998/99.

	1997/98	1998/99	
Operating Impact			
SIAST Kelsey Operating Expenditures	\$26.5 million	\$31.2 million	source: SIAST Finance
SIAST Admin. Offices Operating Expenditures	\$7.1 million	\$6.3 million	source: SIAST Finance
	<u>\$33.6 million</u>	<u>\$37.5 million</u>	
less non-impacting operations	- 4%	- 4%	
Adjusted Operating Impact	<u>\$32.2 million</u>	<u>\$36.0 million</u>	
multiplier effect on Saskatoon's economy	x 1.43	x 1.43	estimate based on UofS study
Operating Impact	<u>\$46.0 million</u>	<u>\$51.5 million</u>	
Student Impact			
Total SIAST Kelsey Students Enrolled	14744	14653	source: SIAST Registrars
less part-time students	- 10739	- 10780	source: SIAST Registrars
Total SIAST Kelsey Full-time Students Enrolled	<u>4005</u>	<u>3873</u>	
amount student spend per week	x \$250/wk	x \$250/wk	estimate based on UofS study
weeks per year student at SIAST Kelsey	x 30wks	x 30wks	
Student Impact	<u>\$30.0 million</u>	<u>\$29.0 million</u>	
SIAST IMPACT ON SASKATOON ECONOMY	<u>\$76.0 million</u>	<u>\$80.5 million</u>	

SIAST Impact on Saskatoon Economy

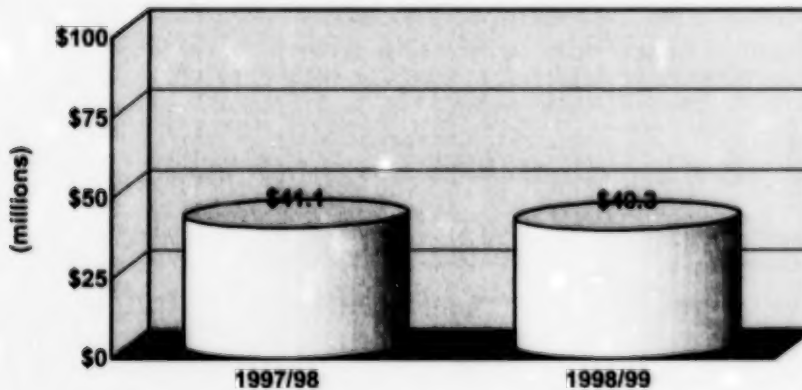


SIAST Impact on Prince Albert Economy

The impact of SIAST on the City of Prince Albert's economy can be attributed to SIAST Woodland Campus. The impact decreased from just over \$41 million in 1997/98 to just over \$40 million in 1998/99. SIAST Woodland Campus student impact does not include those students at the Meadow Lake Centre.

	1997/98	1998/99	
Operating Impact			
SIAST Woodland Operating Expenditures	\$20.0 million	\$19.9 million	source: SIAST Finance
less non-impacting operations	- 4%	- 4%	
Adjusted Operating Impact	\$19.2 million	\$19.1 million	
multiplier effect on Prince Albert's economy	x 1.43	x 1.43	estimate based on UofS study
Operating Impact	\$27.5 million	\$27.3 million	
Student Impact			
Total SIAST Woodland Students Enrolled	9728	8506	source: SIAST Registrars
less part-time students	- 7918	- 6779	source: SIAST Registrars
Total SIAST Woodland Full-time Students Enrolled	1810	1727	
amount student spend per week	x \$250/wk	x \$250/wk	estimate based on UofS study
weeks per year student at SIAST Woodland	x 30wks	x 30wks	
Student Impact	\$13.6 million	\$13.0 million	
SIAST IMPACT ON PRINCE ALBERT	\$41.1 million	\$40.3 million	

SIAST Impact on Prince Albert Economy

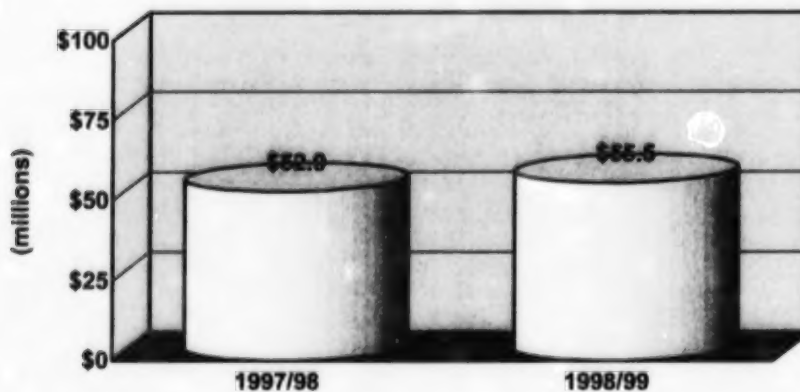


SIAST Impact on Moose Jaw Economy

The impact of SIAST on the City of Moose Jaw's economy can be attributed to SIAST Palliser Campus. The impact increased from just under \$53 million in 1997/98 to just over \$55 million in 1998/99.

	1997/98	1998/99	
Operating Impact			
SIAST Palliser Operating Expenditure	\$19.3 million	\$22.5 million	source: SIAST Finance
less non-impacting operations	- 4%	- 4%	
Adjusted Operating Impact	\$18.5 million	\$21.6 million	
multiplier effect on Moose Jaw's economy	x 1.43	x 1.43	estimate based on UofS study
Operating Impact	\$26.5 million	\$30.9 million	
Student Impact			
Total SIAST Palliser Students Enrolled	10490	9410	source: SIAST Registrars
less part-time students	- 6976	- 6132	source: SIAST Registrars
Total SIAST Palliser Full-time Students Enrolled	3514	3278	
amount student spend per week	x \$250/wk	x \$250/wk	estimate based on UofS study
weeks per year student at SIAST Palliser	x 30wks	x 30wks	
Student Impact	\$26.4 million	\$24.6 million	
SIAST IMPACT ON MOOSE JAW	\$52.9 million	\$55.5 million	

SIAST Impact on Moose Jaw Economy



Conclusion

A significant return to the province's economy continues to be achieved from each tax dollar spent on SIAST.

Overall, SIAST contributed approximately \$250 million to Saskatchewan's economy in 1998/99. The City of Regina had \$51 million injected into its local economy. \$81 million went into the economy of the City of Saskatoon. \$41 million went into Prince Albert's economy and \$56 million went into Moose Jaw's economy.

The values in this report are estimates and do not take into account all factors, such as the impact SIAST graduates have on the provincial economy or part-time and extension students. Extraordinary or one time expenditures, such as the renovation of the new SIAST campus at the Plains Centre in Regina, are not considered in the economic impact.